



Substitute House Bill No. 7032

Public Act No. 17-124

**AN ACT REGARDING THE OFFICE OF THE STATE TREASURER'S
RECOMMENDED REVISIONS TO THE ACHIEVING A BETTER LIFE
EXPERIENCE PROGRAM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 3-39j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

As used in this section and sections 3-39k to [3-39q] 3-39r, inclusive, as amended by this act:

(1) "Achieving a better life experience account" or "ABLE account" means an account established and maintained pursuant to sections 3-39k to 3-39q, inclusive, as amended by this act, for the purposes of paying the qualified disability expenses related to the blindness or disability of a designated beneficiary.

[(2) "Contracting state" means a state without a qualified ABLE program that has entered into a contract with the State Treasurer or other officer of this state to provide residents of the contracting state with access to qualified ABLE programs.]

[(3)] (2) "Deposit" means a deposit, payment, contribution, gift or other transfer of funds.

Substitute House Bill No. 7032

[(4)] (3) "Depositor" means any person making a deposit into an ABLE account pursuant to a participation agreement.

[(5)] (4) "Designated beneficiary" means any eligible individual [state resident or resident of a contracting state originally designated in the participation agreement who is an eligible individual and] who has established an ABLE account under a qualified ABLE program and is the owner of [an] such ABLE account.

[(6)] (5) "Disability certification" means, with respect to an individual, a certification to the satisfaction of the Secretary of the Treasury of the United States by the individual or the parent or guardian of the individual that (A) certifies that (i) the individual has a medically determinable physical or mental impairment, that results in marked and severe functional limitations, and that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve months, or is blind within the meaning of Section 1614(a)(2) of the Social Security Act, and (ii) such impairment or blindness occurred before the date on which the individual attained the age of twenty-six, and (B) includes a copy of the individual's diagnosis relating to the individual's relevant impairment or blindness that is signed by a physician who is licensed pursuant to chapter 370 or, to the extent permitted by federal law, (i) an advanced practice registered nurse who is licensed pursuant to chapter 378, or (ii) if the individual's impairment is blindness, an optometrist licensed pursuant to chapter 380.

[(7)] (6) "Eligible individual" means an individual who is entitled to benefits during a taxable year based on blindness or disability under Title II or XVI of the Social Security Act, and such blindness or disability occurred before the date on which the individual attained the age of twenty-six, provided a disability certification with respect to such individual is filed with the State Treasurer for such taxable year.

Substitute House Bill No. 7032

[(8)] (7) "Federal ABLE Act" means the federal ABLE Act of 2014, P.L. 113-295, as amended from time to time.

[(9)] (8) "Participation agreement" means an agreement between the trust established pursuant to section 3-39k, as amended by this act, and depositors that provides for participation in an ABLE account for the benefit of a designated beneficiary.

[(10)] (9) "Qualified disability expenses" means any expenses related to an eligible individual's blindness or disability that are made for the benefit of an eligible individual who is the designated beneficiary, including the following expenses: Education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, funeral and burial expenses, and other expenses that are approved by the Secretary of the Treasury of the United States under regulations adopted by the Secretary pursuant to the federal ABLE Act.

Sec. 2. Section 3-39k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2017*):

(a) [(1)] The State Treasurer (1) shall establish a qualified ABLE program pursuant to the federal ABLE Act and sections 3-39j to 3-39q, inclusive, as amended by this act, and (2) may contract with any state with a qualified ABLE program established pursuant to the federal ABLE act to provide residents of this state with access to such state's program.

(b) (1) Under the program established pursuant to subdivision (1) of subsection (a) of this section: (A) The State Treasurer shall administer individual ABLE accounts to encourage and assist eligible individuals and their families in saving private funds to provide support for

Substitute House Bill No. 7032

eligible individuals, and (B) a person may make contributions to an individual ABLE account to meet the qualified disability expenses of the designated beneficiary of the account.

(2) For the purposes of [the] such program, there is established within the Office of the State Treasurer the Connecticut Achieving A Better Life Experience Trust. The trust shall constitute an instrumentality of the state and shall perform essential governmental functions, as provided in sections 3-39j to 3-39q, inclusive, as amended by this act. The trust shall receive and hold all payments and deposits intended for ABLE accounts as well as gifts, bequests, endowments or federal, state or local grants and any other funds from public or private sources and all earnings, until disbursed in accordance with sections 3-39j to 3-39q, inclusive, as amended by this act.

[(b)] (c) (1) The amounts on deposit in the trust shall not constitute property of the state and the trust shall not be construed to be a department, institution or agency of the state. Amounts on deposit in the trust shall not be commingled with state funds and the state shall have no claim to or against, or interest in, such amounts, except as provided in subdivision (2) of this subsection. Any contract entered into by, or any obligation of, the trust shall not constitute a debt or obligation of the state and the state shall have no obligation to any designated beneficiary or any other person on account of the trust and all amounts obligated to be paid from the trust shall be limited to amounts available for such obligation on deposit in the trust. The amounts on deposit in the trust may only be disbursed in accordance with the provisions of sections 3-39j to 3-39q, inclusive, as amended by this act.

(2) The trust shall continue in existence as long as it holds any deposits or other funds or has any obligations and until its existence is terminated by law, and upon termination of the trust, any unclaimed assets of the trust shall return to the state. Property of the trust shall be

Substitute House Bill No. 7032

governed by section 3-61a.

[(c)] (d) The State Treasurer shall be responsible for the receipt, maintenance, administration, investment and disbursements of amounts from the trust. The trust shall not receive deposits in any form other than cash. No depositor or designated beneficiary may direct the investment of any contributions or amounts held in the trust other than in the specific fund options provided for by the trust and shall not direct investments in such specific fund options more than two times in any calendar year. No interest, or portion of any interest, in the program shall be used as security for a loan.

[(d)] (e) A person may make deposits to an ABLE account to meet the qualified disability expenses of the designated beneficiary of the account, provided the trust and deposits meet the other requirements of this section, the federal ABLE Act and any regulations adopted pursuant to the federal ABLE Act by the Secretary of the Treasury of the United States.

[(e)] (f) On or before December 31, [2016] 2017, and annually thereafter, the State Treasurer shall submit (1) in accordance with the provisions of subsection (a) of section 3-37, a report to the Governor on the operations of the trust, including the receipts, disbursements, assets, investments and liabilities and administrative costs of the trust for the prior fiscal year, and (2) in accordance with the provisions of section 11-4a, a report on the trust and any contract entered into pursuant to subdivision (2) of subsection (a) of this section to the joint standing committees of the General Assembly having cognizance of matters relating to finance and public health, and shall make such report available to each depositor and designated beneficiary. The report required under subdivision (2) of this subsection shall include, but need not be limited to: (A) The number of ABLE accounts; (B) the total amount of contributions to such accounts; (C) the total amount and nature of distributions from such accounts; and (D) a description

Substitute House Bill No. 7032

of issues relating to the abuse of such accounts, if any.

Approved July 5, 2017